

STATE OF WASHINGTON PUBLIC DISCLOSURE COMMISSION

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August 24, 2009

WILLIAM MCCALLUM 3008 TULIP ROAD BELLINGHAM WA 98225

Subject: Complaint Filed Against the 2006 Jeffrey Teichert Campaign -

PDC Case No. 09-102

Dear Mr. McCallum:

The Public Disclosure Commission (PDC) staff has completed its investigation of your complaint received March 11, 2009, alleging that the 2006 campaign of Jeffrey Teichert for State Court of Appeals failed to file all of the required contribution and expenditure reports. PDC staff reviewed the allegation in light of the following statutes:

RCW 42.17.080 and 090 require candidates to file timely, accurate reports of contributions and expenditures, including in-kind contributions. Under the full reporting option, until five months before the general election, C-4 reports are required monthly when contributions or expenditures exceed \$200 since the last report. C-4 reports are also required 21 and 7 days before each election, and in the month following the election, regardless of the level of activity. Contribution deposits made during this same time period must be disclosed on the Monday following the date of deposit.

We reviewed your complaint, Mr. Teichert's responses to the complaint, and C-3 and C-4 reports filed by the campaign, including two C-4 reports filed April 27, 2009 for the periods of September 12 to September 30, 2006 and October 1 to October 31, 2006. We also spoke with Mr. Teichert. As a result of our review, we found:

On February 25, 2006, Mr. Teichert filed a Candidate Registration (PDC Form C-1) as a 2006 candidate for the State Court of Appeals Division 1, District 3. He selected the Full Reporting option, indicating that his campaign would file the frequent, detailed campaign reports required by law. Mr. Teichert lost to Mary Kay Becker in the primary election held September 19, 2006.

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William McCallum PDC Case No. 09-102 Page 2 of 3

- The Teichert Campaign timely filed its reports of contributions and expenditures (PDC forms C-3 and C-4) through September 11, 2006.
- On April 27, 2009, after receiving a copy of the complaint, Mr. Teichert filed the campaign's post-primary election C-4 report covering the period August 23 through September 11, 2006 that was due October 10, 2006. On the same date, he filed the campaign's final report covering the period October 1 through October 31, 2006.
- The post-primary election C-4 report included \$1,530 in contributions that were timely reported on a C-3 report. The C-4 report also included \$1,974 in expenditures. None of the expenditures were required to be reported as orders-placed on the 7-day pre-primary election C-4 report. The October 2006 C-4 report, due November 10, 2006, included \$1,216 in contributions that were timely reported on a C-3 report, and no expenditures.
- The campaign's post election reports, filed in response to the complaint, did not include expenditures totaling \$5,345 incurred after the primary election for the repayment of several loans made by contributors. On June 1, 2009, Mr. Teichert submitted a memo listing the loan repayments. The initial contributions were timely reported.
- Mr. Teichert stated that it was always his intention to fully comply with the campaign disclosure laws. He stated that judicial candidates are prohibited by the judicial canons of ethics from personally soliciting contributions. He said his campaign adopted the additional ethical standard that he was not to be informed of the identities of any contributors.
- Mr. Teichert said he was not a signer on the campaign account, did not make deposits, and did not view bank statements. For these reasons, he was not involved in preparing or filing the campaign's financial reports, but delegated this responsibility to his Campaign Manager and Treasurer. On September 8, 2006, 11 days before the election, his treasurer resigned, and Mr. Teichert immediately appointed a new treasurer. Mr. Teichert said he asked the first treasurer to train her replacement to file the necessary remaining campaign reports. Mr. Teichert said the first treasurer believes she trained the new treasurer, and the replacement treasurer does not recall what instructions she received or what reports she filed. Mr. Teichert had to order bank statements to respond to the complaint and file the final reports.

All C-3 reports of contributions, and all C-4 reports due before the election, were timely reported. Although the expenditures reported on post-election reports were filed late, they were primarily for refunds of candidate contributions. Mr.

William McCallum PDC Case No. 09-102 Page 3 of 3

Teichert entrusted the filing of his C-3 and C-4 reports to his treasurers, and believed all reports had been timely and accurately filed. After receiving a copy of the complaint, he obtained the necessary bank records and filed all missing reports and expenditure information. Mr. Teichert was a first time candidate and he will be reminded to ensure that all reports, including post-election C-4 reports, are filed timely should he become a candidate in the future.

After a careful review of the alleged violations and relevant facts, we have concluded our investigation and, with the concurrence of the Chair of the Public Disclosure Commission, I am dismissing your complaint against the Jeffery Campaign. Mr. Teichert is being notified of this dismissal by separate letter.

Thank you for bringing this matter to our attention. The process relies on citizens monitoring campaign activity to promote full compliance with the law. Your actions will contribute to better public disclosure of important campaign information.

If you have questions, please contact Phil Stutzman, Director of Compliance, at (360) 664-8853, toll-free at 1-877-601-2828 or by e-mail at pstutzman@pdc.wa.gov.

Singerely,

Vicki Rippie

Executive Director